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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III

SEC FILE NUMBER  
8- 15404

FACING PAGE

Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder

REPORT FOR THE PERIOD BEGINNING July 1, 2006 AND ENDING June 30, 2007  
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER: Maguire Investments, Inc.

OFFICIAL USE ONLY  
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

1862 S Broadway, Suite:100

(No. and Street)

Santa Maria, CA 93454

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Stephen P. Maguire

805-922-6901

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

James C. Chambers, Certified Public Accountant

(Name - if individual, state last, first, middle name)

1458 West Tefft

(Address)

Nipomo

(City)

CA

(State)

93444

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

**PROCESSED**  
OCT 11 2007  
THOMSON FINANCIAL

SECURITIES AND EXCHANGE COMMISSION  
RECEIVED  
AUG 29 2007  
BRANCH OF REGISTRATIONS  
AND EXAMINATIONS  
04

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\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

**MAGUIRE INVESTMENTS, INC.**  
**AUDITED FINANCIAL STATEMENTS**  
**JUNE 30, 2007**

**MAGUIRE INVESTMENTS, INC.**  
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**JUNE 30, 2007**

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**JAMES C. CHAMBERS, CPA**  
**A Professional Corporation**  
1458 W. Tefft St.  
Nipomo, CA 93444

Phone & Fax 805-929-2066

jim0211@sbcglobal.net

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INDEPENDENT AUDITOR'S REPORT


Board of Directors  
Maguire Investments, Inc.  
1862 S. Broadway  
Santa Maria, CA 93454

We have audited the statement of financial condition of Maguire Investments, inc. as of June 30, 2007, and the related statements of income, changes in stockholder's equity and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maguire Investments, Inc. as of June 30, 2007 and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information described on page 12 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

by   
James C. Chambers, CPA  
A Professional Corporation  
August 15, 2007

MAGUIRE INVESTMENTS, INC.  
STATEMENT OF FINANCIAL CONDITION  
JUNE 30, 2007

**ASSETS**

Cash on hand and in banks	\$ 327,997
Securities inventory	400,000
Investments	1,919,283
Receivable from clearinghouse	250,219
Prepaid expenses	63,975
Income tax receivable	5,200
Notes receivable-employees	99,918
Deposit with clearinghouse	35,000
Fixed assets (net)	<u>189,194</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 3,290,786</u></b>

**LIABILITIES AND STOCKHOLDER'S EQUITY**

**LIABILITIES**

Accounts payable	\$ 4,512
Accrued commissions	<u>109,645</u>
	<u>114,157</u>

**STOCKHOLDER'S EQUITY**

Capital stock-\$5 par value, 40,000 shares authorized, 10,000 shares issued & outstanding.	50,000
Retained earnings-Appropriated	250,000
Retained earnings-Unappropriated	<u>2,876,629</u>
	<u>3,176,629</u>
<b>TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY</b>	<b><u>\$ 3,290,786</u></b>

See independent auditor's report and notes to financial statements.

**MAGUIRE INVESTMENTS, INC.  
STATEMENT OF INCOME  
FOR THE YEAR ENDED JUNE 30, 2007**

**INCOME**

Commissions			\$ 3,117,709
Interest income			165,273
Dividend income			65,149
Gain on sale of securities-	Realized	245,269	
	Unrealized	<u>27,875</u>	
			273,144
Other income			103
Loss on sale of assets			<u>(37,253)</u>
			<u>\$ 3,584,125</u>

**OPERATING EXPENSES-SCHEDULE 1**

Execution expenses		351,331
Communciations expense		46,296
Regulatory fees & expenses		24,306
Occupancy & equipment		207,070
Employee expenses		2,666,189
Promotional expenses		92,083
Other operating expenses		<u>243,116</u>
		<u>3,630,391</u>
Income (Loss) from operations		(46,266)
<b>PROVISION FOR INCOME TAX</b>		
Tax refunds from NOL carry-back		102,606
California franchise tax		<u>(800)</u>
		<u>101,806</u>
NET INCOME (LOSS)		<u>\$ 55,540</u>
INCOME (LOSS) PER SHARE OF COMMON STOCK		<u>\$ 5.55</u>

See independent auditor's report and notes to financial statements.

MAGUIRE INVESTMENTS, INC.  
STATEMENT OF CHANGES IN STOCKHOLDER'S EQUITY  
JUNE 30, 2007

	<u>Retained Earnings</u>			<u>Common</u>	<u>Total</u>
	<u>Unappropriated</u>	<u>Appropriated</u>	<u>Total R/E</u>	<u>Stock</u>	
Stockholder's Equity July 1, 2006	\$ 2,821,089	\$ 250,000	\$ 3,071,089	\$ 50,000	\$ 3,121,089
NET INCOME (LOSS)	<u>55,540</u>	<u>-</u>	<u>55,540</u>	<u>-</u>	<u>55,540</u>
Stockholder's Equity June 30, 2007	<u>\$ 2,876,629</u>	<u>\$ 250,000</u>	<u>\$ 3,126,629</u>	<u>\$ 50,000</u>	<u>\$ 3,176,629</u>

See independent auditor's report and notes to financial statements.

MAGUIRE INVESTMENTS, INC.  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2007

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income (Loss)	\$ 55,540
Adjustments to reconcile Net Income (Loss) to net cash:	
Depreciation & amortization	97,945
Loss on sale of assets	37,253

**Changes in operating assets and liabilities:**

Securities inventory	(1,504)
Investments	(320,251)
Receivable from clearinghouse	(96,261)
Prepaid expenses	(33,256)
Income tax receivable	28,786
Deposit with clearinghouse	-
Accounts payable	(9,357)
Accrued commissions	<u>30,522</u>
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u><b>(210,583)</b></u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Proceeds from the sale of assets	16,000
Purchase of fixed assets	(133,894)
Loans made to employees	(99,918)
Proceeds from officer loan receivable	<u>290,495</u>
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u><b>72,683</b></u>

**NET INCREASE (DECREASE) IN CASH** (137,900)

CASH AT BEGINNING OF PERIOD 465,897

**CASH AT END OF PERIOD** **\$ 327,997**

**SUPPLEMENTAL DISCLOSURES:**

- (1) The Company considers cash to be all cash and cash equivalents with a maturity of ninety days or less.
- (2) Cash paid for interest was \$ -.
- (3) Cash paid for income tax was \$ -.

See independent auditor's report and notes to financial statements.



MAGUIRE INVESTMENTS, INC.  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2007

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES**

- A. Organization  
Maguire Investments is a securities broker-dealer incorporated in 1968. The Company trades in all areas of financial instruments.
- B. Basis of Accounting  
The financial statements are prepared on the accrual basis of accounting, which recognizes revenue when earned and expenses as incurred.
- C. Securities Transactions  
All securities and commodities transactions are recorded on a settlement date basis as well as related commission income and expense. The Company uses an independent clearinghouse under the direct method of maintaining client accounts.
- D. Securities Inventory  
Inventory is valued at fair market value for financial statement purposes and the computation of net capital. Marketable securities are valued at market value and securities not readily marketable are valued at fair value as determined by the Board of Directors. The cost for items in inventory is \$400,000; fair market value at June 30, 2007 was \$ 400,000.
- E. Securities Investments  
Investments are securities presented at their fair market value held in-house by the Company for long-term investment. At June 30, 2007, these investments had a cost basis of \$1,873,213 and fair market value of \$1,919,283. Unrealized income in the current year was \$ 27,795.
- F. Fixed Assets  
Depreciation is provided for using straight-line or an accelerated method using estimated useful lives of three to ten years. Leasehold improvements are amortized over the lesser of the economic useful life of the improvement or the term of the lease.

	<u>Cost</u>	<u>Accumulated Depreciation &amp; Amortization</u>	<u>Net Book Value</u>
Equipment	\$ 71,596	\$ (70,860)	\$ 736
Office Furniture	49,958	(49,958)	-
Automobiles	85,234	(19,906)	65,328
Leasehold improvements	638,736	(515,606)	123,130
	<u>\$ 845,524</u>	<u>\$ (656,330)</u>	<u>\$ 189,194</u>

The following corresponding expenses were recorded for the year ended June 30, 2007:

Depreciation expense	\$ 58,281
Amortization expense	<u>\$ 39,664</u>
	<u>\$ 97,945</u>

See independent auditors' report

#### **NOTE 2 – CASH HELD IN RESERVE**

The Company uses an independent clearinghouse for maintaining client accounts and no longer is required to maintain reserve bank accounts for the benefit of customer under rule 15(c) 3-3 of the Securities and Exchange Commission. See Note 1 (c).

Cash includes a reserve of \$9,536 held in the Mid-State Savings Account, for Mutual Fund Breakpoint Overcharges. The National Association of Securities Dealers (NASD) determined in October 2003 there were Mutual Fund break-point overcharges and estimated Maguire's portion of this overcharge to be \$9,536. The overcharges were refunded to Maguire clients in the amount of \$6,156 in April 2004. To the date of this report, NASD has not responded to the actions taken, therefore the \$9,536 is held in reserve until response is received from NASD.

#### **NOTE 3 – RECEIVABLE FROM CLEARINGHOUSE**

Under the direct method of accounting for client trades all transactions are conducted through a clearinghouse. The receivable represents commissions due to the Company which are not yet received. The Company considers all such amounts to be fully collectible; therefore, no allowance for doubtful accounts has been recorded.

#### **NOTE 4 – RELATED PARTY TRANSACTIONS**

A. Building Costs

Maguire Investments entered into a lease agreement on April 1, 1994 to lease a new office building owned by its president. The initial terms call for monthly rent of \$3,000 for the five-year period ending March 31, 1999, with the option to extend the term for ten additional twelve-month periods. The Company agreed to extend the lease for an additional ten years until March 31, 2009. As consideration for these terms, the Company agreed to pay all building renovation costs. Initial leasehold improvements totaled \$572,573 and are being amortized over 15 years.

B. Stock Transfer Fees

Security Transfer Co. did not engage in business with Maguire Investments, Inc. during the fiscal year.

C. Notes Receivable

President – A note bearing 7% annual interest, due in full with accrued interest on February 1, 2010.

The balance was paid in full during the year.

Amounts received were \$290,495 in principal and interest of \$ 21,045.

No loans to officer exist at June 30, 2007.

#### **NOTE 5 – APPROPRIATED RETAINED EARNINGS**

Appropriated retained earnings represent amounts reserved for the future additions and improvements to the office building. See Note 4A.

#### **NOTE 6 – LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS**

There were no borrowings under subordination agreements at June 30, 2007.

#### **NOTE 7 – NET CAPITAL REQUIREMENTS**

The Company is subject to the Securities and Exchange Commission Uniform net Capital Rule (rule 15c 3-1), which requires the maintenance of minimum net capital and requires that the ratio of aggregate indebtedness to net capital, both as defined, shall not exceed 15 to 1 (and the rule of the "applicable" exchange also provides that equity capital may not be withdrawn or cash dividends paid if the resulting net capital ratio would exceed 10 to 1.) At June 30, 2007, the Company had net capital of \$2,734,587 which was \$2,484,587 in excess of its required net capital of \$250,000. The Company's net capital ratio was .042 to 1.

#### **NOTE 8 – PROVISION FOR INCOME TAX**

The income tax provision of \$ 800 is calculated on taxable income for the fiscal year. No accrual of deferred income taxes has been recorded, they have been deemed immaterial to the financial statements taken as a whole. Federal and California income taxes receivable were \$5,200 and \$200, respectively at June 30, 2007.

Included as a reduction to current year income tax expense are \$102,606 of Federal income tax refunds attributable to fiscal years 2003 and 2004. The refunds are a result of net operating loss carry backs incurred in fiscal 2005.

Remaining net operating losses to be carried forward to future years consists of Federal \$145,840 and state of California \$395,427.

#### **NOTE 9 – EARNINGS PER SHARE**

Earning per share of common stock was computed by dividing net income by the average number of common shares outstanding for the year (10,000 shares).

#### **NOTE 10 – EXEMPTIONS FROM CERTAIN REQUIREMENTS**

The firm is exempt under Rule 15c3-3 (k)(2)(ii) from providing a Computation for Determination of Reserve Requirements and providing information Relating to the Possession or Control Requirements required under Rule 15c3-3. The firm is an introducing firm acting on behalf of a clearing firm. They meet all requirements for this exemption. Consequently, the corresponding schedules are not presented in the financial statements or supplemental information.

**SUPPLEMENTAL INFORMATION**

**JAMES C. CHAMBERS, CPA**  
**A Professional Corporation**

1458 W. Tefft St.  
Nipomo, CA 93444

Phone & Fax 805-929-2066


jim0211@sbcglobal.net

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**INDEPENDENT AUDITORS' REPORT**  
**ON ADDITIONAL INFORMATION**

Board of Directors  
Maguire Investments, Inc.  
1862 S. Broadway  
Santa Maria, California 93454

Our report on our audit of the basic financial statements of Maguire Investments, Inc. for June 30, 2007 appears on page 3. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The statements of operating expenses, changes in liabilities subordinated to claims of creditors, computation of net capital under rule 15c 3-1 of the Securities and Exchange Commission and the independent auditors' report on internal accounting control required by SEC rule 17a-5 are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements taken as a whole.

by   
James C. Chambers, CPA  
A Professional Corporation  
August 15, 2007

**MAGUIRE INVESTMENTS, INC.  
SCHEDULE OF OPERATING EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2007**

**SCHEDULE 1**

**EMPLOYEE EXPENSES**

Office Salaries	\$ 1,162,740
Commissions	1,281,176
Employer Payroll Taxes	100,318
SIMPLE IRA	49,811
State Comp Insurance	11,467
Leased Employees	60,677
	<u>2,666,189</u>

**EXECUTION EXPENSES**

RBC DCS Clearance	309,368
RBC DCS Execution	6,997
RBC DCS Miscellaneous	34,966
	<u>351,331</u>

**REGULATORY FEES & EXPENSES**

License & fees	7,731
Assessments-SIPC & NASD	1,405
NASD Fidelity Bond	1,816
NASD License & Exam Fee	2,550
Regulatory Fees	10,804
	<u>24,306</u>

**COMMUNICATION EXPENSES**

Postage	14,490
Telecommunication Expense	15,916
Office Supplies	15,890
	<u>46,296</u>

**PROMOTIONAL EXPENSE**

Advertising	40,587
Subscriptions	3,006
Sales Literature	19,496
Travel & Auto Expense	20,788
Promotion	8,206
	<u>92,083</u>

**OCCUPANCY & EQUIPMENT**

Building rent	47,500
Utilities	1,140
Maintenance & Repairs	70,641
Comp Liability Insurance	797
Office Equipment Expense	3,037
Data Systems Fees	83,955
	<u>207,070</u>

**OTHER EXPENSE**

Legal & Audit Expense	9,608
Depreciation	97,946
Stock Transfer Fees	7,302
Donations	3,750
Professional Fees	120,963
Miscellaneous Dues & Fees	3,547
	<u>243,116</u>

<b>Total Operating Expenses</b>	<b>\$ 3,630,391</b>
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See independent auditor's report and notes to financial statements.

**MAGUIRE INVESTMENTS, INC.  
STATEMENT OF CHANGES IN LIABILITIES  
SUBORDINATED TO CLAIMS OF CREDITORS  
JUNE 30, 2007**

Balance, beginning of period, July 1, 2006	\$ -
Increase	
Decrease	
Balance at end of period, June 30, 2007	\$ -

Note: We have examined the general ledger, transactions journals and adjusting entire for the current year. We have performed tests of transactions in compliance with a the Company's system of internal control and substantive tests of the accounts ending balances in conjunction with generally accepted auditing standards and have found no material differences between unaudited and audited financial records.

See independent auditors' report on additional information

MAGUIRE INVESTMENTS, INC.  
 COMPUTATION OF NET CAPITAL UNDER RULE 15C 3-1  
 JUNE 30, 2007

<b>CURRENT ASSETS</b>	
Cash on hand and in banks	\$ 327,997
Securities at market	2,319,283
Receivable from clearinghouse	250,219
Deposit with clearinghouse	<u>35,000</u>
<b>TOTAL ASSETS</b>	<u><b>2,932,499</b></u>
 <b>AGGREGATE INDEBTEDNESS</b>	
Accounts payable	4,512
Accrued commissions	<u>109,645</u>
	<u><b>114,157</b></u>
 Current capital	 <u><b>2,818,342</b></u>
 <b>LESS: ADJUSTMENT</b>	
Haircuts - inventory	<u>83,755</u>
	<u><b>83,755</b></u>
 <b>NET CAPITAL PER AUDIT</b>	 <b>\$ 2,734,587</b>
 Minimum net capital required	 <u>(250,000)</u>
Excess net capital	<u><b>2,484,587</b></u>
 Ratio: Aggregate indebtedness to net capital	 <b>0.042</b>

See independent auditor's report and notes to financial statements.



MAGUIRE INVESTMENTS, INC.  
RECONCILIATION OF AUDITED COMPUTATION  
OF NET CAPITAL AND FOCUS REPORT  
JUNE 30, 2007

NET CAPITAL PER FOCUS REPORT	\$ 2,734,563
Changes in:	
Petty cash included in cash	<u>25</u>
NET CAPITAL PER AUDIT	<u>\$ 2,734,588</u>

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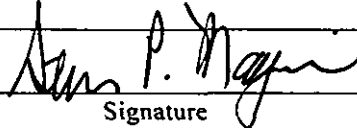
EXPLANATIONS:

1. Change in calculation due to current capital changes above.

OATH OR AFFIRMATION

I, Stephen P. Maguire, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Maguire Investments, Inc, as of June, 20 07, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

None

  
Signature

President  
Title

See Attached  
Notary Public

This report \*\* contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Income (Loss).
- (d) Statement of Changes in Financial Condition.
- (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Computation of Net Capital.
- (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

JURAT

State of California

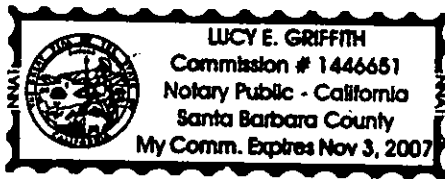
County of Santa Barbara

Subscribed and sworn to (or affirmed) before me on

this 23 day of August, 2007,

by Stephen P Maguire

personally known to me or proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.



(seal)

Signature *Lucy E. Griffith*

**JAMES C. CHAMBERS, CPA**  
**A Professional Corporation**  
1458 W. Tefft St.  
Nipomo, CA 93444

Phone & Fax 805-929-2066

jim0211@sbcglobal.net

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL  
ACCOUNTING CONTROL REQUIRED BY SEC RULE 17A-5**

Board of Directors  
Maguire Investments, Inc.  
1862 S. Broadway  
Santa Maria, CA 93454

We have examined the financial statements of Maguire Investments, Inc. for the year ended June 30, 2007 and have issued our report thereon dated August 15, 2007. As part of our examination, we made a study and evaluation of the Company's system of internal accounting control (which includes the procedures for safeguarding securities) to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of our study and evaluation, which included obtaining an understanding of the accounting system, was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the financial statements.

Also, as required by rule 17a-5(g)(I) of the Securities and Exchange Commission, we have made a study of the practices and procedures (including tests of compliance with such practice and procedures) followed by Maguire Investments, Inc. that we considered relevant to the objectives stated in rule 17a-5(g)(I) in making the periodic computations of aggregate indebtedness and capital under rule 17a-3(a)(II) and the reserve required by rule 15c3-3(c)(2) in making the quarterly securities examinations, counts, verifications and comparisons, and the recordation of differences required by rule 17a-13(3) in complying with the requirements for prompt payment for securities under section 8 of Regulation T of the Board of Governors of the Federal Reserve System, and (4) in obtaining and maintaining physical possession or control of all fully paid and excess margin securities of customers as required by rule 15c3-3.

The management of the Company is responsible for establishing and maintaining a system of internal accounting control and the practices and procedures referred to in the preceding paragraph. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures and of the practices and procedures referred to in the preceding paragraph and to assess whether those practices and procedures can be expected to achieve the Commission's above-mentioned objectives.

The objectives of a system and the practices and procedures are to provide management with reasonable, but not absolute, assurance that assets for which the Company has responsibility are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Rule 17a-5(g) lists additional objectives of the practices and procedures listed in the preceding paragraph.

Because of inherent limitations in any internal accounting, control procedures or the practices and procedures referred to above, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of them to future periods is subject to the risk that they may become inadequate because of changes in conditions or that degrees of compliance with them may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Maguire Investments, Inc. taken as a whole. However, our study and evaluation disclosed no condition that we believe to be a material weakness.

We understand that practices and procedures that accomplish the objectives referred to in the second paragraph of this report are considered by the Commission to be adequate for its purposes in accordance with the Securities Exchange Act of 1934 and related regulations, and that practices and procedures that do not accomplish such objectives in all material respects indicate a material inadequacy for such purposes. Based on this understanding and on our study, we believe that the Company's practices and procedures were adequate at June 30, 2007, to meet the Commission's objectives.

This report is intended solely for the use of management and the Securities and Exchange Commission and should not be used for any other purpose.

by James C. Chambers  
James C. Chambers, CPA  
A Professional Corporation  
August 15, 2007

END